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MEMORANDUM FOR: Deputy Director for Intelligence Deputy Director for Operations

Deputy Director for Management and Services Deputy Director for Science and Technology

General Counsel Director of Security

Information Systems Analysis Staff/DDM&S

NIO/Energy Office

SUBJECT

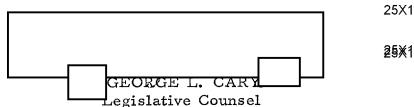
: H.R. 14135, "To establish a National Resource Information System, and for other purposes."

- 1. Chairman Staggers, House Committee on Interstate and Foreign Commerce, has requested our comments on H. R. 14135, introduced by Representative Peter W. Rodino, Jr. (D., N. J.), which establishes a National Resource Information System to maintain a central information bank on all natural resources affecting the United States. The purpose is to provide Government, industry and the public information to assist in developing national policies, to conserve resources, to aid the economy and technology, to protect the environment and to better operate regulatory systems. A Bureau of National Resource Information is established within the Department of Commerce. Natural resource companies would be required under the bill to provide information upon demand. Refusal or providing false information can result in fine and imprisonment.
- The bill establishes three categories of information, public, confidential and secret. The confidential files would contain information provided by a private company if the information concerns national security or might benefit a competitor. The secret library concerns that information which for reasons of national security or competitive equities must be wholly suppressed or published only in statistical form. Only employees of the new Bureau and of Commerce as designated may have access to secret files. Confidential files are open to all branches of Government. Under established criteria, information may be transferred from one category to another. All information, under section 208(e), is to be released at the end of twenty-five years unless a hearing is requested. Under section 208(f) any information must be made public



if it in any way has come into public domain. Section 209 provides penalty of \$2,000 fine and two years imprisonment for the unauthorized disclosure of information by an employee. If the disclosure is made with intent to harm the U. S. national security; to affect a company competitively; or to invade a right of privacy, the fine is increased to \$20,000 and imprisonment to twenty years.

- 3. Section 702 of the bill amends the Freedom of Information Act to provide that nothing in that Act shall prevent any agency from providing the new Bureau of National Resource Information any natural resource information, regardless from whom or when it was obtained.
- 4. Section 703 amends the Federal Reports Act of 1942, title 44 U.S.C. sections 3504-8, and establishes the Bureau of National Resource Information as the collecting agency for national resources information. The collecting program is to be established in coordination with other agencies having a need and interest in the information. There is a proviso that requests upon any agency for resource information must not prevent or unreasonably delay any agency from collecting any information which it is expressly directed to collect by law.
- 5. It is requested that you review H.R. 14135 and submit your comments no later than 10 May for the preparation of a reply from the Director to Chairman Staggers. An immediate reaction is the apparent conflict with the Director's responsibility to protect intelligence sources and methods and the affect upon intelligence collection programs, particularly those under the Domestic Contacts Division.



Attachment